

ATTACHMENT B

**REVENUES AND EXPENDITURES REPORT/
INSTRUCTIONS,
PROGRAM BUDGET SUMMARY (B.1),
EQUIPMENT INVENTORY SCHEDULE (B.2),
AND
ADMINISTRATION EXPENDITURES REPORT/
INSTRUCTIONS (B.3)**

Attachment B

**Revenues and Expenditures Report Completion Instructions
Michigan Department of Community Health
Office of Drug Control Policy
Fiscal Year (FY) 2008**

NEW FOR FY 2008

Due to the implementation of the Electronic Grants Administration and Management System (EGrAMS), the form preparation instructions will be located in the EGrAMS user manual. Because of this conversion, there may be differences in the locations of rows/columns on the RER in EGrAMS.

I. INTRODUCTION

The main purposes and applications of this Revenue and Expenditures Report (RER) include the following:

- Display revenue sources and expected amounts, and how these are budgeted at the start of a fiscal year;
- Enable management and monitoring of federal and state spending requirements; and
- Enable reconciliation of prepayments and expenditures on a quarterly and annual basis.

The RER is part of the Office of Drug Control Policy (ODCP)/CA and ODCP/direct contractor agreements. With the exception of a single Program Budget Summary Composite sheet, it replaces the Program Budget Summary and Cost Detail forms and Financial Status Reports (DCH-0385/0386 and DCH 0384, respectively). This RER is available in Microsoft Excel and will be provided by MDCH/ODCP. The “*Subtotal*” and “*Grand Total of Subtotals A-G*”, and “*Year-to-Date*” cells contain formulas that will calculate automatically. Agencies must use the forms provided. Alternate forms or software may not be used. All amounts entered on the RER must be whole dollars.

The RER is used to provide a standardized format for reporting the financial status of individual programs. All expenditures and revenues (including Medicaid, Adult Benefits Waiver [ABW], MI Child, Local, Fees and Collections, and Other Contracts and Sources) for the particular program are reported on the RER .

Requirements Regarding Administrative Budgets and Expenditures--Agency budgets and expenditures for Administration must be reasonable, prudent, and commensurate with meeting the requirements of this agreement, consistent with OMB Circular A-87 or A-122, as applicable.

If the Administration budget for a contractor that is a local government entity contains a central cost allocation amount or rate, this allocation must have been developed consistent with OMB Circular A-87, Attachment C. Payments are subject to recovery, based on audit findings. Contractors that are non-profit entities cannot have central cost allocations under this agreement.

On the Face Page, please note the revised Certification Section regarding whether the CA uses a Central Cost Allocation Plan.

Attachment B

When there is a central cost allocation, the CA must also submit, on CA letterhead, a Certificate of Cost Allocation Plan (next page) whenever a central cost allocation is introduced or is revised, or every two years, whichever is sooner. This Certificate of Cost Allocation Plan form is available electronically (in WORD) from the ODCP contract manager.

(Printed On Agency Letterhead)

Certificate of Cost Allocation Plan

This is to certify that I have reviewed the Cost Allocation Plan and to the best of my knowledge and belief:

- (1) All costs included in this proposal to establish cost allocations or billings for October 1, 2007 through September 30, 2008 are allowable in accordance with the requirements of OMB Circular A 87, "Cost Principles for State, Local, and Indian Tribal Governments", and the Federal award(s) to which they apply. Unallowable costs have been adjusted for in allocating costs as indicated in the Cost Allocation Plan. (A-87 can be found at: http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html)
- (2) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently.

I declare that the foregoing is true and correct.

Agency Name: _____

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

This Certificate of Cost Allocation Plan should be used for certification of the Agency's Cost Allocation Plan. This form must be signed by the Executive Director or Finance Director of the agency.

Initial annual budgets (expected revenue) are incorporated into agency contracts. Quarterly expenditure reports must be submitted to the Michigan Department of Community Health (MDCH)/Accounting not later than the last day of the month following the end of the quarter. *Please note that the fourth quarter RER, which would be due October 31, is not required.* Final annual RERs are due by January 31 following the end of the fiscal year. A copy of each quarterly and final report must be e-mailed to the address given below under XII. Distribution.

Expenditure targets for selected program areas, such as Women's Specialty Services, will also be provided by MDCH/ODCP in the agency's initial fiscal year allocation letter. Revised allocations and expenditure targets will be issued, as needed.

Reporting of revenues and expenditures must be consistent with Generally Accepted Accounting Principles (GAAP).

II. BUDGET AMENDMENTS

A. Definition

A budget amendment could be either an increase or decrease to the agency's State Agreement, (Section A of RER).

A budget amendment would also be required if there is either an increase or decrease to the agency's Total Agreement amount, as listed on the first page of the agency's agreement and on its RER. Please note that any appreciable increase in the agency's Total Agreement amount should be included in the agency's final amendment request. The Total Agreement amount includes ALL OTHER funding sources; i.e, Medicaid, ABW, MIChild, Fees/Collections, and Other Contracts and Sources.

B. Criteria for Approving Budget Amendments

The following provides some parameters of a budget amendment to the agency's agreement with MDCH:

- All agencies that receive *State Disability Assistance (SDA)* funds and anticipate not using all of this funding, must notify MDCH/ODCP by May 1, per its current MDCH contract. This information should be included in the agency's final budget amendment request.
- An agency that anticipates not meeting its *Women's Specialty* target amount (per its current fiscal year allocation letter), must notify MDCH/ODCP by May 1, per its current MDCH contract. This

information should be included in the agency's final budget amendment request.

C. Due Date for Budget Amendments

Requests for budget amendments must be submitted in writing to the agency's contract manager not later than the due date for final amendments to this contract. This date is typically in late June annually. ODCP will notify the agency of a specific date at least 30 days in advance of the due date.

III. BUDGET REVISIONS

A. Definition

A budget revision involves moving state-administered funds between expenditure budgets (Prevention, Treatment, Communicable Diseases, etc.) without changing the total budgeted amount of state-administered funds.

B. Criteria for Approving Budget Revisions—Section A

CA Discretionary Revisions

The CA is granted limited discretion to revise the budgeted amounts of state-administered funds without prior approval by MDCH. This discretion is applicable only to the budget categories of CA Administration, Treatment, Prevention, and Communicable Diseases, and it is applicable only to Community Grant funds. It is not applicable to the Women's Specialty Target.

The CA may decrease or increase any of the above four budget categories by up to \$50,000 annually through the transfer of Community Grant funds among these budget categories. Under this discretion, \$50,000 is the annual, maximum net change, up or down, that may be effected in any one of the four budget categories.

Reducing the amount of budgeted Community Grant funds does not reduce or amend any requirements stated elsewhere in this contract agreement, with respect to any the four budget categories. For example, reducing the Communicable Disease budget does not reduce the CA's program or performance responsibilities regarding Communicable Diseases.

The CA must inform its MDCH contract manager by e-mail of any discretionary budget revisions at the time the revisions are made (within

ten business days). All discretionary revisions must be reported on subsequent quarterly and final RERs.

NOTE: With respect to Prevention only--if the CA has received approval to reduce its Prevention budget by \$50,000 or more, there is no CA option for additional reductions on a discretionary basis. Any additional reductions must be approved by the Contract Manager in writing in advance.

All Other Revisions

Revisions in planned (budgeted) expenditures of Section A funds must be approved in advance, in writing by the ODCP Contract Manager. Revisions must be incorporated into subsequent quarterly RERs. The following describes the parameters of a budget revision to the agency's agreement with MDCH:

The Department must allocate and manage state-administered funds in a way that assures compliance with all federal and state requirements, including SAPT Block Grant expenditure requirements. The initial allocations for each fiscal year are in compliance with these requirements. Nonetheless, an agency may propose to increase or reduce its allocations for Communicable Diseases or for Prevention, within the limits of its total allocation. Though there is no separate allocation for Treatment, this flexibility applies to Treatment as well. The Department *will* be receptive to approving revisions in initial allocations when 1) the agency can demonstrate that all applicable planning and agreement requirements can be achieved, perhaps through the use of other available resources, for all affected program and budget areas and 2) the Department can maintain compliance with federal and state requirements. With regard to redirection of Treatment funds, the agency must be able to demonstrate that treatment needs within the catchment area are fully met and that there is adequate capacity to meet drug court and offender re-entry initiatives as well.

C. Criteria for Approving Budget Revisions—Sections B-G

Revisions in planned (budgeted) revenues and expenditures of funds in Sections B-G must be reported on quarterly RERs as revisions are identified, and not later than the final annual report, subject to applicable requirements in the agency's contract.

D. Due Date for Budget Revisions

The final annual due date to request budget revisions for Sections A-G is sixty (60) days after the end of the agreement period, that is, November

30 for annual contracts. By November 30, the agency must submit via e-mail its budget revision request to its ODCP contract manager. The agency must receive ODCP approval first before submitting a revised RER to its contract manager.

IV. REVENUES (Column 2)

For State Agreement fund sources (Section A, Rows 1-3) Revenues are as listed in the agency's allocation letter.

For most other funds sources (Sections B-G), Revenues are estimates. In some cases, the agency may not be planning to expend all fiscal year Revenues.

On the final RER for the fiscal year, revenues and expenditures must be actual. It is understood that, for non-State Agreement sources, total actual expenditures may be less than total Revenues.

V. INITIAL OR CURRENT ANNUAL BUDGET PLAN AND AGGREGATE PLANNED (BUDGETED) EXPENDITURES

For State Agreement fund sources (Section A, Rows 1-3), planned (budgeted) expenditures (pages 3 and 4 of the RER), added together, must equal the Initial Annual Budget Plan (Column 3) or the Current Annual Budget Plan (Column 4), as applicable, as entered on the RER-Composite, Page 2.

For most other fund sources (Sections B-G), planned (budgeted) expenditures are estimates. In some cases, the agency may not be planning to expend all fiscal year revenues. It is not necessary that aggregate planned (budgeted) expenditures (pages 3 and 4 of the RER) equal the Initial Annual Budget Plan or the Current Annual Budget Plan, as applicable, as entered on the RER-Composite, Page 2. That is, planned (budgeted) expenditures in each row do not necessarily add to the total planned budget.

On the final RER for the fiscal year, revenues and expenditures must be actual. It is understood that, for non-State Agreement sources, total actual expenditures may be less than total planned (budgeted) expenditures. Exception: Local Match.

VI. REPORTING FEES AND COLLECTIONS (SECTION F)

The MDCH/agency agreement requires agencies to report actual fees and collections associated with services that the agency purchases. Expected revenues from fees and collections must be reported on the initial annual RER. The final RER for the fiscal year must report actual revenues. Reporting of actual revenues on the quarterly RERs is not required.

Some agencies reimburse providers net of co-pay amounts, whether or not the co-pays are actually collected by providers. Please do not report uncollected co-pay revenues. Report only the revenues actually earned.

Food stamp revenue, in conjunction with residency, should be reported in Fees and Collections—Section F.

VII. LOCAL MATCH—HOW TO BUDGET FEES/COLLECTIONS AND LOCAL FUNDS

Amounts for Local Match are reported in Sections E and F of the RER. Please be sure that the amounts entered in Sections E and F meet Local Match criteria. The substance abuse services agreement (Attachment A) clarifies which fees and collections may count toward Local Match.

Some agencies may be using an incorrect formula to compute the minimum, required Local Match. Please use the following worksheet to assist in computing the agency's Local Match percentage:

MATCH COMPUTATION - MUST BE AT LEAST 10%

a. GRAND TOTAL FUNDING		\$ _____
(Last row of RER, page 2, Initial Annual Budget Plan Column 3)		
b. LESS:		
Section B. Medicaid subtotal	\$ _____	
Section C. ABW subtotal	\$ _____	
Section D. MICHild subtotal	\$ _____	
Section G. Other Contracts & Sources (incl. direct Federal)	\$ _____	
c. TOTAL (Subtotal of b.)		(\$ _____)
d. FUNDS SUBJECT TO MATCH (a minus c)		\$ _____
e. MATCH FUNDS:		
Section E. Local Subtotal	\$ _____	
Section F. Fees & Collections Subtotal	\$ _____	
f. TOTAL MATCH FUNDS (Subtotal of e.)		\$ _____
g. MATCH PERCENTAGE (f/d * 100 = 00.00%)		_____ %

VIII. MICHILD AND ABW SAVINGS

MICHild and ABW savings become Local funds in the fiscal year following the year in which the savings were earned. Savings should be entered in Section E. Local, Row E-Other Local.

IX. POSTING MEDICAID REVENUES THAT ARE TRANSFERS FROM A PIHP

Some agencies receive increased Medicaid revenues in the form of transfers from a PIHP, usually late in the fiscal year. Assuming these are current year PEPM funds, these revenues and associated expenditures should be entered on the RER-Composite, Page 2 in Section B. Medicaid, Row 1, at the next RER submission.

X. ADULT BENEFITS WAIVER**ABW Covered Services**

For the Federal share of ABW PEPM revenue, please enter the amount on the RER—Composite, Page 2, in Section C. ABW row. Also enter the same amount on the RER, Page 4, under the ABW Column, Column 4 (Planned), Section C. ABW row, assuming your agency plans to spend the full amount during the fiscal year. This will eliminate double-counting the General Fund match for ABW revenue.

Note that the check received by each agency each month for ABW is the Federal share only.

For the State share of the ABW PEPM revenue, please enter the amount on the RER, Page 4, under the ABW Column, Column 4 (Planned) Section A.1. Community Grant row.

To obtain the State share of the ABW PEPM, use the following formula:

$$\frac{\text{Federal PEPM}}{\text{Federal \%}} = \text{Total} \times \text{State \%} = \text{State Match}$$

For those agencies that plan to spend Community Grant funds over and above the combined Federal and State shares of the ABW PEPM revenue, also include that amount on the RER, Page 4, under the ABW Column, Column 4 (Planned), Section A.1. Community Grant row.

ABW Discretionary Services

If an ABW beneficiary is ABW eligible and Community Grant eligible and is provided ABW discretionary services paid for with Community Grant funds, enter those expenditures on the RER, Page 3, under the Treatment Column, Column 5 (YTD/Final), Section A., Row 1. ABW PEPM funds (federal and state) must have been exhausted first.

The Federal and State ABW percentages for each fiscal year will be provided to the agencies by ODCP/Substance Abuse Contract Management Section. For FY 2008, the Federal percentage is 70.67% and the State percentage is 29.33%. MDCH will issue the payment for each month not later than the second Wednesday of that month.

For all other revenues and expenditures utilized for the ABW program, over and above the combined Federal and State shares of the ABW PEPM revenue, please enter those amounts on the RER, Page 4, under the ABW Column--Planned & YTD. Please note that Medicaid cannot be utilized for the ABW program.

MDCH wants to capture the data that reports the total revenue (source and amount) used to subsidize the ABW program.

XI. MiChild

Quarterly, MDCH will provide the CA with the federal share of MiChild funds as a per capita payment based upon a Per Enrolled Child Per Month (PECPM) methodology for MiChild covered services. Included with these funds will be an electronic copy of the names of the MiChild enrollees forming the basis of these calculations. In consideration for accepting the federal funding pushed to the CA, the CA agrees to redirect existing state general fund dollars to match the MiChild federal FMAP funds (Title XXI State Children's Health Insurance Program) and carry out the associated substance abuse program requirements. The PECPM rate is \$0.47 (47 cents) per month. For the current fiscal year, the federal share is 70.67%, or approximately 33 cents per month, and the state share is 29.33%, or approximately 14 cents.

The PECPM funding is a per capita payment for medically necessary MiChild-covered services including outpatient, residential and inpatient services as authorized by the CA. If the MiChild capitation is not sufficient to serve the MiChild enrollees, use of state-allocated Community Grant funds is allowed. Federal SAPT Block Grant funds may not be used for inpatient care.

The federal Current Year PEPM MiChild payments will be posted on Page 4 under the MiChild column, in Row D. MiChild Current Year PEPM.

XII. DISTRIBUTION

The original and two (2) copies of the RER should be prepared and distributed as follows:

Original - Michigan Department of Community Health
Bureau of Finance/Accounting Division
Expenditure Operations Section
P.O. Box 30720
Lansing, MI 48909-8220

One Copy - Retained by agency.

One Copy - Submitted electronically via EGrAMS at <http://egram-mi.com/dch>.

XIII. RETENTION

This report should be retained for a period complying with the retention policies established in the contract.

XIV. FORM PREPARATION (SEE INSTRUCTIONS LOCATED IN EGrAMS USER MANUAL)

An RER *instruction* example (Exhibit A), an RER *completed* example (Exhibit B), and an RER *blank* example (Exhibit C) are attached for reference.

Revenue and Expenditures Report Form/Face Page—Page 1

- A. Contractor Name -- Enter the name of the agency.
- B. Mailing Address -- Enter the street address of the agency.
- C. City, State, ZIP Code -- Enter the City, State, and ZIP Code of the agency.
- D. Federal ID No. -- Enter the Federal Employer Identification Number
- E. Budget Period -- Enter the inclusive dates covered by the RER.
- F. Grant Agreement -- Check either "ORIGINAL" or "AMENDMENT".
- G. Date Prepared -- Enter the date on which the RER is prepared.
- H. Contract No. -- Enter the MDCH Contract Number, if known.
- I. Amendment No. -- Enter the Amendment Number of the MDCH Contract Number, if applicable.
- J. Submission Type -- Check one of the five (5) boxes, identifying the period covered by the RER.
- K. Quarterly Reconciliation -- For Section A only, enter the Total Prepayments YTD and Total Expenditures YTD for State-administered funds. Total Prepayments YTD include all payments received from the State during the current fiscal year period, which may include prior fiscal year adjustments. Total Expenditures YTD include all expenditures incurred during the current fiscal year.
- L. Certification Section:

This Certification Section must be signed by an authorized official certifying:

- that the agency does or does not utilize a Central Cost Allocation Plan (Check Yes or No);
- that the expenditures for the fiscal year are reported accurately; and

- that documentation and records are available and easily accessible in support of all the data contained on the report.

The individual signing on behalf of the agency certifies by his/her signature that he/she is authorized to sign on behalf of the agency. Any item found as a result of audits to be improper or undocumented will be subject to an audit citation and generally will require a payment adjustment.

- M. Authorized Signature – Enter the signature of the official authorized to sign the RER.
- N. Date – Enter the date of the authorized signature.
- O. Title – Enter the title of the official authorized to sign the RER.
- P. Contact Person – Enter the name of the person to whom questions should be directed concerning the RER.
- Q. Telephone Number and E-mail Address – Enter the telephone number and e-mail address of the Contact Person.

Revenue and Expenditures Report Form-Composite—Page 2

- A. Contractor Name and Address – Enter the name and address of the agency.
- B. Agreement Period -- Enter the inclusive dates of the budget period.
- C. Contract/Amendment number/Submission Type – Enter the contract number (if assigned); Amendment number (if applicable); and Submission Type (same as on Face Page).

Revenues (Column 2)

- D. Revenues—Column 2
For State Agreement fund sources (Section A, Rows 1-3) Revenues (Col. 2) are as listed in the agency's allocation letter.

For most other funds sources (Sections B-G), Revenues (Col. 2) are estimates. In some cases, the agency may not be planning to expend all fiscal year Revenues.

On the final RER for the fiscal year, revenues and expenditures must be actual. It is understood that, for non-State Agreement sources, total actual expenditures may be less than total Revenues (Col. 2).

Budget Plans (Columns 3 and 4)

- E. Initial Annual Budget Plan—Column 3
For each row in Section A, enter the amount of each fund source, as listed in the agency's allocation letter. For most agencies, these fund sources

will include Community Grant, State Disability Assistance (SDA), and other fund sources, as appropriate. These allocations will be provided by MDCH/ODCP at the beginning of the fiscal year in the agency's allocation letter and during the fiscal year, as needed to reflect amendments.

For each row in Sections B through G, enter the amount of each fund source that the agency expects to receive during the fiscal year. These may include: Medicaid, Adult Benefits Waiver, MI Child, Local, Fees and Collections, and Other Contracts and Sources.

F. Current Annual Budget Plan—Column 4

All amount changes in any fund source categories as posted for Section A only in the Initial Annual Budget Plan—Column 3 require an agreement amendment. This Current Annual Budget Plan--Column 4 will remain blank unless or until an amendment is needed.

For fund sources in Sections B through G, changes in expected revenues must be entered in Column 4 and reported on quarterly and final expenditure reports. Agreement amendments are not needed for Sections B through G. Budget and expenditure requirements for Local Match remain in effect.

If changes are entered in Column 4, Sections B-G, the amounts posted in Section A must be carried over into Column 4, even though those amounts did not change. When totaled, Column 4 will reflect the TOTAL Current Annual Budget Plan for the current quarter and/or final RER.

Expenditures (Columns 5-6)

G. Current Quarter—Column 5

For each row in Sections A through G, enter the current quarter expenditures for each fund source in Column 1.

H. Year-to-Date—Column 6

For each row in Sections A through G, enter the year-to-date expenditures for each fund source in Column 1. Each amount will be the cumulative total expenditure amount for each budget title listed on Pages 3 and 4, under each "YTD/Final" column heading.

Balance (Column 7)

I. Balance

For each row in Sections A through G (excluding Section B), enter the balance obtained by subtracting the amount in the Year-to-Date (Column 6) from the amount in the Current Annual Budget Plan (Column 4). If there is no amount in Current Annual Budget Plan (Column 4), then enter the

balance obtained by subtracting the amount in the Year-to-Date (Column 6) from the amount in the Initial Annual Budget Plan (Column 3).

For each row in Section B. Medicaid, enter the balance obtained by subtracting the amount in the Year-to-Date (Column 6) from the amount in the Revenues--Column 2. At the end of the fiscal year, the amounts entered in the Revenues--Column 2 will be updated to reflect the actual revenues for the fiscal year.

Revenue and Expenditures Report Form—Page 3

Selected program area titles are pre-entered in the column headings on Pages 3 and 4. Note that the two “Other” columns on Page 4 are not to be utilized by an agency, unless the agency receives prior approval from its contract manager.

- J. Contractor Name and Address -- Enter the name and address of the agency.
- K. Agreement Period -- Enter the inclusive dates of the agreement period.
- L. Contract/Amendment number/Submission Type -- Enter the contract number (if assigned); Amendment number (if applicable); and Submission Type (same as on Face Page).

Expenditure Detail--Planned (Columns 2 (M), 4 (O), 6 (Q), and 8(S))

For each row in Section A, enter the planned (budgeted) expenditures for each fund source (Column 1) for the current fiscal year. These expenditures are for Administration, Treatment, Prevention and Women’s Specialty. Other program expenditure areas are listed on Page 4. These planned (budgeted) expenditures must be the same as any specific allocations or spending targets stated in the ODCP allocation letters, unless revisions are approved in writing in advance by the ODCP Contract Manager.

Enter the SDA planned (budgeted) expenditures under the Treatment Column/Column 4/Row A.2.

For each row in Sections B through G, enter the planned (budgeted) expenditures of each fund source (Column 1) for the current fiscal year.

Women’s Specialty Services, Medicaid and SDA funds

The State share of Medicaid funds can be applied toward your agency’s Women’s Specialty Services spending target. SDA funds can also be applied. The spending target is listed in the agency’s initial, current fiscal year allocation letter. The women who are served and the services provided must meet SAPT Block Grant requirements for women’s specialty services. Contact your contract manager with any questions.

Enter Women's Specialty Services planned (budgeted) expenditures for the Federal and State shares of the current year Medicaid PEPM under Section B. Medicaid, Women's Specialty Column/Column 8, Rows 2 and 3, respectively. For FY 2008, the State share of Medicaid is 41.90%.

Enter Women's Specialty Services planned (budgeted) expenditures for SDA under Section A, Women's Specialty Column/Column 8, Row A.2. SDA.

Expenditure Detail—YTD/Final (Columns 3 (N), 5 (P), 7 (R), and 9 (T))

For each row in Sections A through G, enter the year-to-date expenditures for each fund source (Column 1). These expenditures are for Administration, Treatment, Prevention and Women's Specialty.

Enter SDA year-to-date expenditures under the Treatment Column/Column 5/Row A.2.

Enter Women's Specialty Services year-to-date expenditures for the Federal and State shares of the current year Medicaid PEPM under Section B. Medicaid, Women's Specialty Column/Column 9/Rows 2 and 3, respectively. For FY 2008, the State share of Medicaid is 41.90%.

Revenue and Expenditures Report Form—Page 4

- U. Contractor Name and Address – Enter the name and address of the agency.
- V. Agreement Period -- Enter the inclusive dates of the budget period.
- W. Contract/Amendment number/Submission Type – Enter the contract number (if assigned); Amendment number (if applicable); and Submission Type (same as on Face Page).

Expenditure Detail--Planned (Columns 2 (X), 4 (Z), 6 (BB) and 8 (DD))

For each row in Section A, enter the planned (budgeted) expenditures for each fund source (Column 1) for the current fiscal year. These expenditures are for Communicable Diseases, ABW, MICHild, and SPF/SIG. These planned expenditures must be the same as any specific allocations or spending targets stated in the agency's initial fiscal year allocation letter, unless revisions are approved in writing in advance by the ODCP Contract Manager.

For each row in Sections B through G, enter the planned (budgeted) expenditures of each fund source (Column 1) for the current fiscal year.

Expenditure Detail—YTD/Final (Columns 3 (Y), 5 (AA), 7 (CC) and 9 (EE))

For each row in Sections A through G, enter the year-to-date expenditures for each fund source (Column 1). These expenditures are for Communicable Diseases, ABW, MIChild, SPF/SIG.

For all rows, expenditures reported on Pages 3 and 4 must equal expenditures reported in Column 6, Page 2.

Program Budget Summary Composite

Attachment B.1 is a Program Budget Summary form (DCH-0385E). This form is required by MDCH. The agency's contract manager will complete this form and include it in the executed agreement to be returned to the agency.

**Revenues and Expenditures Report
FINAL REPORTING
Fiscal Year 2008**

Please note that the fourth quarter RER, which would be due October 31, is not required.

The final RER report is due by January 31 following the end of the fiscal year. The form must be marked "FINAL BUDGET" on the Face Page. This requires the agency to liquidate all accounts payable and encumbrances by January 31 (See definitions below).

Exceptions may be granted for one-time obligations that cannot be liquidated within this time period. However, should this be the case, an additional fifteen (15) days may be provided if a written request for an extension, with the reason why additional time is needed, is submitted by the due date of the final RER. Please submit such requests to the same address as quarterly RERs are mailed.

Failure to meet these final reporting deadlines may result in the State's inability to reimburse the full amount of the State's share of the gross expenditures.

In addition to submitting RERs, other financial information will be requested to assist MDCH in properly closing the State's fiscal year (September 30). This information will help ensure sufficient funds have been reserved by the State to make reimbursement for the agreement in the State's upcoming fiscal year. The additional financial information required will include an estimate of open commitments and obligations incurred as of September 30, but not yet paid. The MDCH/Accounting Division will provide detailed instructions for reporting additional financial information by mid-August of each year.

DEFINITIONS:

- **Accounts Payable** - Obligations for goods or services received, which have not been paid for as of the end of the agreement period.
- **Encumbrances** - Commitments at the end of the agreement period related to unperformed (executory) contracts for goods and services.
Note: If an agreement does not end on September 30, it is still necessary to estimate accounts payable as of September 30.

All inquiries regarding financial reporting issues should be directed to the Expenditure Operations Section of the MDCH/Accounting Division.

References:

Michigan Department of Management and Budget

- Guide to State Government (1210.27).
- Year-End Closing Guide.

Federal OMB Circular A-102 (Revised & DHHS Common Rule).